CENTRAL INTELLIGENCE AGENCY

INFORMATION REPORT

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SECRET SECURITY INFORMATION

COUNTRY	East Germany	REPORT NO.		25X1
SUBJECT	Possible Conversion of Maschinen-und Apparatebau Schkeuditz to the Manufacture of Gliders	DATE DISTR.	6 Augus	t 1953 25X1
DATE OF INFO.		REQUIREMENT NO.		
PLACE ACQUIRED		REFERENCES		
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1. From 1945 to early 1949, the Schkeuditz plant, which covers an area 350 x 260 meters, repaired agricultural machines from neighboring farm areas, and converted a total of three former Soviet Douglas-type military transport aircraft to passenger aircraft. The latter work was done over a four to five-month period and was completed in March 1949. The ultimate destination of these aircraft is unknown.

REFRIGERATORS MANUFACTURED

- 2. In mid-1948, production of refrigerators and refrigeration units was initiated, together with the production of compressor units for the refrigerators. The following type refrigerators constitute present production: See Enclosure (A)7
 - a. household refrigerators, 150 and 210-liter capacity;
 - b. commercial refrigerators, 400, 600, 1,000, 1,600, and 2,000-liter capacity, including refrigeration units for show windows of butcher shops, delicatessen stores, and similar installations;
 - deep-freeze units, 250 liter capacity, with minimum cooling temperature of -25 to -30°C for use in hospitals and laboratories;

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- d. compressors with 250-300 calorie rating for household refrigerators;
- compressors with 500-1,000 calorie rating for commercial refrigerators;
- compressors with 1,000-2,000 calorie rating for large refrigeration units used in slaughterhouses See Enclosure

VOLUME OF PRODUCTION

3. Apprelimete refrigeration production is as follows:

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1948- 200 units, no breakdown of types recalled. om don also siblice of 1949- 1,000 units, no breakdown of types recalled. 1950- 2,000 units, no breakdown of types recalled.

1951 - 5;000 units; no breakdown of types recalled:

1952- 3,500-4,000 units as follows: 150 liter, 300 units, maximum 50-75 in one month 210 liter, 300 units, "
400 liter, 4-500 " 11 14 11 11 11 11 11 11 11 11 1,600 liter, 5-600 units, " 91 11 2,000 liter, 300 units, 25

Ninety percent of the 1952 refrigerator output was destined primarily for the HO and Konsum stores (cooperatives) in the Soviet Zone. Five percent consisting of 200-300 1,600 liter refrigerators, were delivered as reparations to Soviet occupation forces in the Soviet Zone of Germany. Five percent consisting of unidentified larger type refrigeration units were shipped to Poland, ordered through DHZ, Berlin. The production of compressors amounts approximately to that of refrigerator production, plus 10% to allow for replacements. In March The plant is presently engaged in the production of 50 cooling units, consisting of 750 calorie capacity compressor, condenser, evaporator and electric motor, used for cooling of large storage rooms. Orders for these units were received through plant's agencies and are for domestic consumption.

MANUFACTURE OF DEEP-FREEZE UNITS

- In 1951, the plant produced one hundred 250 liter capacity deepfreeze units as reparations for the USSR. The order was received via an unknown Soviet reparations authority in the Soviet Zone of Germany. After completion of the order, the units were inspected by a German employee of the Soviet reparations office, packed for water shipment, and sent to Frankfurt/Oder.
- 5. In January 1953, an order was received for sixty 250 liter capacity deep-freeze units destined for Korea, to be completed by March 1953. Although the units were completely assembled, they had not been shipped at the time owing to a shortage of refrigerant.

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IND TUNNEL ASSEMBLIES MANUFACTURED

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The plant, copying directly from the model, produced the required number by May 1952. I do not believe that the production of these assemblies will occur again.

POSSIBLE CONVERSION TO GLIDER PRODUCTION

- 7. In late 1952, the plant received an order, via the Ministry of Interior, from the Halle "Sport und Technik", 6 3 3 4 for three training gliders, similar to the German type SG-38. A technician familiar with glider construction was assigned from Sport und Technik to the plant. He organized a crew of 14 mechanics and carpenters from the plant workers. Together with one of the plant engineers, he drew up the blueprints. The other workers were engaged primarily in the construction of tools, dies, jigs, and fixtures. However, since this production had not been included in the so-called plant production program and no materials had been allocated by the appropriate ministry, production was precluded owing to the shortage of plywood, fabric for wing and fuselage covering, cable, and metal for fittings. At the time nothing further had been accomplished other than the completion of the necessary tools and fixtures.
- 8. Though I do not foresee any production of gliders in the immediate future, I am of the opinion that, if raw materials are allocated, the plant will be in a position to initiate line production of these gliders. I believe this is planned and that the production of refrigerator units and compressors will either cease or be considerably curtailed. I estimate that the plant could produce a maximum of 30 gliders a month if production of refrigerating units were stopped. My belief that a different line of production is possibly being planned for the future is further substantiated by observations that the former administration building (B) of the Lufthansa, on the west side of the plant, is being completely renovated and refurnished to be made into administration offices.
- In early 1953, the plant received an order from VP-Luft (Volks-Polizei-Luftwaffe) via the Ministry of Interior for the production of gyrowheels, mattresses used for jumping practice, and a Luftschaukel which is similar to chair swings common in amusement parks and which works on the principal of centrifugal force.

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No quantities or date for initiation of production was set and, since such production was not included in the official production plan of the plant, no material allocation had been made. Production is contingent upon receiving steel tubing and springs, both of which are in general short supply. Nothing further had been done on this order at the time of my departure.

10. In early 1953, the plant began producing metal drivers' cabs for trucks for the Bleichert Plant, Leipzig, and mine conveyor belts, eight by ten m. long, constructed of section steel, powered by an electric motor, and equipped with a continuous rubber conveyor belt, 50 mm wide. These belts were produced on a subcontract basis for Mackensen, SAG, Magdeburg. The Aurora Plant, Schkeuditz, which was fermerly engaged in this production as a subcontractor, was a trustee plant until early 1953, when it was made a VEB and, for economic reasons, became a subsidiary. The Schkeuditz plant took over the production and personnel of the Aurora Plant, which is now used to give practical training to the 130 apprentices of the plant. The truck cabs and conveyor belts had already been in production for several months at the former Aurora Plant and the order was partially complete when taken over by subject plant. The order calls for 300 cabs and 30 conveyor belts and was to be completed by May 1953. Allegedly an additional order of unknown quantities was to be received upon completion of the first order.

RAW MATERIAL SHORTAGE IMPORTANT CAUSE OF NON-FULFILLMENT OF PLAN

- The general shortage and the irregular arrival of raw materials constituted a major bottleneck. A further bottleneck results from faulty compressor housing castings (porosity and blow-holes), 50 percent of which are rejected. The plant had produced only 40 percent of its production plan for the first quarter of 1953.
- 12. Because of the shortage of sheet metal used in covering the refrigerator units (0.8-1.0 mm thick), the plant has been instructed to use such metal only on those units destined for export. Those for domestic consumption are covered with a substitute material known as "Solmonid," which is similar to Pertinax. The plant also receives green lumber much of which, because of the inadequate capacity of the plants drying ovens, must be sent out for drying to plants in the vicinity where such ovens are available.

SOURCES OF RAW MATERIALS

Lumber, round steel stock, and all semifinished materials were received from unknown sources through the DHZ (Deutsche Handelssentrale), Halle; sheet metal from Rolling Mill. Thale, also via DHZ; compressor housing castings from the VEB foundry, Eberswalde, and the foundry in Egesin, Mecklenburg, through the so-called "Gussbuerc" (castings bureau) Leipzig, which was subordinate to the Ministry for Machine Construction. Electric motors, 0.8, 1.0, 1.5 and 2 KV came from Gruenhain, Saxony, and Hartha, Thuringia; paint and lacquer from the private firm of Zschaege, Halle. Material for the construction of truck cabs and conveyor belts was received from the customer. Sheet metal storage building (12b) at present contains five tons of sheet metal to be used for the covering of refrigerators, but primarily for production of lamella (Lamellen) for shelves for The employ sounds of the first of the second of the second

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refrigerators, evaporators (Verdampfer) and housings for the cooling unit aggregates. I have no knowledge of any stockpiling.

PERSONNEL

14. One thousand two hundred workers (25 percent women) work two shifts, from 0600-1400 and 2200-0600 hours, six days weekly. The average age of the male workers is 45 years. On Sunday, overtime work is prohibited. The composition of the labor force is as follows: 500-600 production workers, including 150 taken over from the former Aurora Plant; 250-300 nonproduction workers including warehouse and motor pool workers and maintenance crews; 150-160 office and administrative personnel including agency representatives working outside the plant in Leipzig, Halle, Berlin, Zeitz, and Stralsund, as well as the maintenance and service crews subordinate to these offices; and 130 apprentices. The majority of workers are on the first shift. Sixty to eighty workers on the second shift are employed primarily in the machine shop and carpenter shop.

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- 16. Wages are classified in eight basic wage groups varying from a minimum of 0.90 marks to a maximum of 2.00 marks per hour. The average basic wage of a skilled worker is 1.43 marks per hour. A 15 percent premium above the basic wage is paid when the worker exceeds his norm. In manual assembly operations (refrigerator and compressor assembly), norms are generally exceeded 30-40 percent. In the metal-working shop, norms are seldom exceeded since time study methods can more accurately determine the maximum expected output of the machine operator. Norms are set by the plant norm office.

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